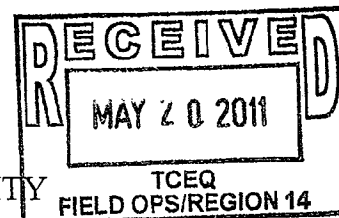


Bryan W. Shaw, Ph.D., *Chairman*
Buddy Garcia, *Commissioner*
Carlos Rubinstein, *Commissioner*
Mark R. Vickery, P.G., *Executive Director*



TEXAS COMMISSION ON ENVIRONMENTAL QUALITY

Protecting Texas by Reducing and Preventing Pollution

May 12, 2011

MR RANDALL BLACK
MANAGER PRODUCTION OPERATIONS WEST
CONOCOPHILLIPS COMPANY
1516 DEMARET CT
LAREDO TX 78045-7542

Re: Standard Permit Registration Deficiency
Standard Permit Registration Number: 96022
Sugarkane Central Battery 1
Pawnee, Live Oak County
Regulated Entity Number: RN105698112
Customer Reference Number: CN601674351

Dear Mr. Black:

This is in response to your request to register the ConocoPhillips Company Sugarkane Central Battery 1 under Standard Permit Number 96022 at your facility in Pawnee, Live Oak County.

After evaluation of the information submitted in support of your claim, we are unable to verify that all conditions of the standard permit have been met. Therefore, we cannot confirm your claim at this time. The following information was found to be deficient in your request:

1. Representative analyses cannot be used in place of a site specific sample for the H₂S content of a stream. Please provide the appropriate analysis
2. One table to include 261/262 speciations of all emission sources.

If a revised Standard Permit with appropriate corrections is submitted within six months, no additional fee is required. The re-submittal should include an updated Form PI-1S (Standard Permit Registration Request), the additional information, and a cover letter noting the package is in response to a deficiency notice. To expedite the process, any re-submittal should be sent directly to the Texas Commission on Environmental Quality, Air Permits Initial Review Team, MC-161, P.O. Box 13087, Austin, Texas 78711-3087.

If you find that you cannot meet the conditions of the standard permit, you may apply for a permit or amendment using the Form PI-1 (General Application for Air Preconstruction Permits and Amendments) to the address listed in the above paragraph. If submitted within six months, you may apply the fee for this request to that application by referring to Receipt Number .

Page 2

Re: Standard Permit Registration Number

You are reminded that the Texas Health and Safety Code § 382.0518(a) and § 382.057 require that a permit be obtained or permit by rule be fully complied with before work is begun on the construction of a new facility or modification of an existing facility that may emit air contaminants. Since we cannot confirm your claim, construction should not be started on the proposed project.

Your cooperation in this matter is appreciated. If you have any questions, please contact Ms. Jameica Hanney at (512) 239-5171 or write to the Texas Commission on Environmental Quality, Office of Permitting and Registration, Air Permits Division, MC-163, P.O. Box 13087, Austin, Texas 78711-3087.

This action is taken under authority delegated by the Executive Director of the Texas Commission on Environmental Quality.

Sincerely,

A handwritten signature in black ink, appearing to read 'Anne M. Inman', with a stylized, flowing script.

Anne M. Inman, P.E., Manager
Rule Registrations Section
Air Permits Division
Texas Commission on Environmental Quality

AI/jh

cc: Air Section Manager, Region 14 - Corpus Christi

Project Number: 164511

**TECHNICAL REVIEW: STANDARD PERMIT FOR
INSTALLATION AND/OR MODIFICATION OF OIL AND GAS FACILITIES
DEFICIENCY**

Permit No.:	96022	Company Name:	ConocoPhillips Company	APD Reviewer:	Ms. Jameica Hanney
Project No.:	164511	Site/Area Name:	Sugarkane Central Battery 1	SP No.:	6002 - 116.620 PRE 2011- FEB-27

GENERAL INFORMATION			
Regulated Entity No.:	RN105698112	Project Type:	Permit by Rule Application
Customer Reference No.:	CN601674351	Date Received by TCEQ:	March 31, 2011
Account No.:	None	Date Received by Reviewer:	April 4, 2011
City/County:	Pawnee, Live Oak County	Physical Location:	From Pawnee go 1.0 mile north on Hwy 72 to FM 882 go approximately 10.5 miles on FM 882 turn right on lease road go approximately 1.0 miles down lease road to site

CONTACT INFORMATION			
Responsible Official/Primary Contact Name and Title:	Mr. Randall Black Manager Production Operations West	Phone No.: Fax No.:	(361) 586-4050 Email:
Technical Contact/Consultant Name and Title:		Phone No.: Fax No.:	Email:

GENERAL RULES CHECK	YES	NO	COMMENTS
Is confidential information included in the application?		X	
Are there associated NSR or Title V permits at the site?		X	
Is the application for renewal of an existing standard permit?		X	

DESCRIBE OVERALL PROCESS AT THE SITE
<p>Sugarkane Central Battery 1:</p> <p>The Sugarkane facility receives production from several gas wells that flows continuously throughout the year. Produced gas flows through two separator systems where the hydrocarbon condensate and water are removed. Condensate liquids from the separators will flow to one of sixteen condensate storage tanks. Produced water flows to a water storage tank. Liquids from two JATCO units, two fuel scrubber, and two discharge compressor scrubbers will flow to a common sloop tank. Liquids are removed from the site via tank truck. Tank vapors and truck loading vapors are routed to a Vapor Recovery Unit (VRU) and during VRU-MSS (assumed 95% runtime) the vapors are sent to a flare (F-1) with 98% destruction rate efficiency (DRE). Fuel gas for the compressors comes from a high pressure gas stream. The natural gas product is moved through the system by compressors powered by natural gas-fired internal combustion engines, resulting in product of combustion (POC) emission. During compressor maintenance, low-pressure natural gas is routed to a maintenance flare (F-2) with 98% DRE. Fugitive emissions result from valves, flanges, pump seals, compressor seals, and other piping components.</p> <p>Baker 300:</p> <p>The Baker 300 Dehy facility is the termination of two COPC pipelines, one from the Sugarkane Booster compressor and the other from the Sugarkane Central Battery. This dehydration unit can handle 15 MMSCFD and dehydrates gas before sales to DCP. Gas is separated from the liquid at this facility and all liquids are stored in tanks. There is one tank for water and another for condensate. Tank vapors and truck loading vapors are routed to a flare (F-3) with 98% DRE. Air emissions from the glycol dehydration unit regenerator stack are controlled by a BTEX condenser-combustor system. Any uncondensed gas vented from the regenerator stack is sent to the reboiler burner, which is equipped with an auxiliary goplug, to achieve continuous combustion. Make-up fuel gas for the reboiler and compressors comes from the high pressured dehydrated gas stream. Dehy system flash tank off gas is also used as fuel for the reboiler. Fuel gas for the system and make-up gas for the reboiler comes from the dehydrated gas header. Fugitive emissions result from valves, flanges, pump seals, compressor seals, and other piping components.</p> <p><i>This project is receiving a deficiency letter due to insufficient information.</i></p>

DESCRIBE PROJECT AND INVOLVED PROCESS
<p>ConocoPhillips Company operates a natural gas production facility known as the Sugarkane Central Battery 1, near Pawnee in Live Oak County, Texas.</p> <p>The purpose of this application is to revise Sugarkane Central Battery 1 facility by adding 4 additional condensate tanks and associated components. Additionally, a new gas dehydration facility, Baker 300 dehy Station, is proposed less than ¼ mile away from Sugarkane Central Battery 1. COPC is submitting this standard permit application for Sugarkane Central Battery 1 Update and Baker 300 Dehy.</p> <p><i>This project is receiving a deficiency letter due to insufficient information.</i></p>

OIL AND GAS FACILITY GENERAL INFORMATION			
Natural Gas Throughput (MMSCF/day):	15	H ₂ S Content of Inlet Gas:	Unable to determine
Slop Oil Throughput (bbl/day):	210	Is the gas sweet or sour?	
Condensate/ Oil Throughput (bbl/day):	5,004	Is this an existing site?	Yes
Produced Water Throughput (bbl/day):	500.5	Has the site been registered before?	Yes, by PBR

**TECHNICAL REVIEW: STANDARD PERMIT FOR
INSTALLATION AND/OR MODIFICATION OF OIL AND GAS FACILITIES
DEFICIENCY**

Permit No.:	96022	Company Name:	ConocoPhillips Company	APD Reviewer:	Ms. Jameica Hanney
Project No.:	164511	Site/Area Name:	Sugarkane Central Battery 1	SP No.:	6002 - 116.620 PRE 2011- FEB-27

STORAGE TANKS						
Tank Identifier (EPN)	Capacity of Tank	Throughput (bbl/day)	Contents of Tank	Working and breathing Loss Calculation Method*	Flash Loss Calculation Method	Other
Sugarkane Central Battery 1 (T-1, T-2, T-3, T-4, T-5, T-6, T-7, T-8, T-9, T-10, T-11, T-12, T-13, T-14, T-15, T-16, T-WAT, T-SLOP)	---	5710	Condensate	E&P TANKS		
Baker 300 Dehy (T-1, T-2, T-WAT)	---	4.5	Condensate	E&P TANKS		

E&P TANKS - ACTUAL ANALYSIS [FOR ESTIMATING WORKING, BREATHING, AND FLASH LOSSES FROM STORAGE TANKS]										
Known Separator Stream: Low Pressure Oil				Laboratory Analyses submitted (if yes, include date):		Low Pressure Liquid Sample				
Tank and Shell Data included?						High Pressure Liquid Sample				
Is analyses from Actual site or Representative Site?						Low Pressure Gas Sample				
If from Representative Site, distance between sites:						Measured GOR				
Tank Identifier (EPN)	Separator Pressure (psig)	Separator Temperature (°F)	C10+ MW	C10+ SG	Production Rate (bbl/day)	API Gravity (°API)	RVP (psia)	Emissions Uncontrolled VOC, C3+ (ton/yr)	Emissions after any controls (tpy)	
Sugarkane Central Battery 1 (T-1, T-2, T-3, T-4, T-5, T-6, T-7, T-8, T-9, T-10, T-11, T-12, T-13, T-14, T-15, T-16, T-WAT)	40.0	65.0	203.5	0.81	5710	54.33	5.66	21069.64	1053.48	
Baker 300 Dehy (T-1, T-2, T-WAT)	40.0	65.0	203.5	0.81	4.5	54.33	5.66	16.61	0.33	

GAS OIL RATIO (G.O.R.) METHOD [FOR ESTIMATING FLASH LOSSES FROM STORAGE TANKS]				
Laboratory Analysis Included ("Gas Evolved From HC Liquid Flashed")?	Yes	Flash Gas Molecular Weight (lb/lb-mole):		
Date of Sample:	12/2/10	Flash Gas VOC content (weight %):		
Separator Pressure (psig):	38	Flash Gas VOC emissions, lb/hr:		
Separator Temperature (°F):	71	Flash Gas VOC emissions, tpy:		
Oil or Condensate API Gravity:	53.73	Flash Gas H ₂ S content (wt %):		
RVP:	4.12	Flash Gas H ₂ S emissions, lb/hr:		
Gas Oil Ratio (SCF of flash gas per barrel of liquid produced):	88	Flash Gas H ₂ S emissions, tpy:		

TRUCK LOADING [EMISSIONS CALCULATED USING $L_L=(12.46)(S)(P)(M)/(T)$ EQUATION FROM AP-42, SECTION 5.2.4]								
S	P (psia)	M (lb/lb-mole)	T (°R)	L_L (lb VOC/1000 gallons loaded)	Hourly Loading Rate (gallons/hour)	Annual Loading Rate (gallons/year)	Hourly Emissions (lb/hr)	Annual Emissions (tpy)
Sugarkane Central Battery 1								
0.6	18.00	119.8	560	28.78	7,560	7,665,000	4.35	1.26
0.6	18.00	119.8	560	28.78	7,560	79,869,300		
During VRU MSS, Controlled THC Emission Flare (98%)								
Baker 300 Dehy								
0.6	8.64	119.8	560	13.81	8,190	7,665	2.263	0.001
0.6	8.64	119.8	560	13.81	8,190	61,320	2.263	0.008

**TECHNICAL REVIEW: STANDARD PERMIT FOR
INSTALLATION AND/OR MODIFICATION OF OIL AND GAS FACILITIES
DEFICIENCY**

Permit No.:	96022	Company Name:	ConocoPhillips Company	APD Reviewer:	Ms. Jameica Hanney
Project No.:	164511	Site/Area Name:	Sugarkane Central Battery 1	SP No.:	6002 - 116.620 PRE 2011- FEB-27

Collection Efficiency fugitive rate: 1.30%

VAPOR RECOVERY UNIT (VRU)	
What equipment/emissions are controlled by the VRU?	Tank vapors and truck loading vapors
Where are vapors routed?	Flare
Control efficiency claimed?	95%
Justification if more than 95% control efficiency claimed:	

HEATERS AND BOILERS (INCLUDING GLYCOL DEHYDRATOR REBOILERS)				
Identifier (EPN)	Rating (MMBtu/hr)	Operating Hours per year	Fuel Heat Value (Btu/SCF)	NOx emissions Factor Used
TEG-1	0.5	8,760	1189	100

GLYCOL DEHYDRATOR (STILL VENT) EMISSIONS CALCULATED USING GRI-GLYCALC						
EPN:	TEG-1					
Laboratory Gas Sample Analysis Included?	Yes	Was it an extended analysis? (including at least C8+ and BTEX?)			Yes	
Date of Sample:	12/02/10	Location at site where gas sample was taken:			Eskew West No. 1	
Gas Flow Rate (MMSCF/day):	15	Glycol Flow Rate (gpm):			Not provided	
Absorber/Contactor Pressure (psig):	Not provided	Flash Tank Pressure (psig):			Not provided	
Absorber/Contactor Temperature (°F):	Not provided	Flash Tank Temperature (°F):			Not provided	
How are regenerator emissions controlled and what control efficiency is claimed?	BTEX condenser-combustor system.					
How are flash tank (if present) emissions controlled and what control efficiency is claimed?	Not provided					
	VOC		HAPS		Benzene	
	lb/hr	tpy	lb/hr	tpy	lb/hr	tpy
Uncontrolled Regenerator Emissions:	9.22	38.36	8.32	34.60	0.43	1.81
Controlled Regenerator Emissions:	0.23	0.967	0.05	0.21	0.01	0.05
Flash Tank Off Gas (uncontrolled):	10.58	44.02	2.55	10.61	0.20	0.85
Flash Gas Emissions (controlled):	0.53	2.20	0.13	0.53	0.01	0.04
TOTAL EMISSIONS (SUM OF CONTROLLED):	0.76	3.167	0.18	0.74	0.02	0.09
Is MACT HH applicable?		Why or why not? If yes, how will facility comply?				

Sugarkane Central Battery 1 FUGITIVES (EMISSIONS CALCULATED USING EMISSION FACTORS FROM EPA DOCUMENT 4531, R-95-017, Table 2-4)								
	Valves	Flanges	Connectors	Open Ended lines	Pump Seals	Other	VOC content of stream (weight %)	Total Annual Emissions (tpy)
Gas Service Component Count	480	160	180	24		68		26.92
Light Oil Component Count	190	30	144		8	2		
If VOC content of gas stream <100%, was inlet or other laboratory gas analysis included?			Date of Sample:		VOC content from lab analysis (wt %):		H ₂ S content from lab analysis (wt %):	

Baker 300 Delhy Facility FUGITIVES (EMISSIONS CALCULATED USING EMISSION FACTORS FROM EPA DOCUMENT 4531, R-95-017, Table 2-4)								
	Valves	Flanges	Connectors	Open Ended lines	Pump Seals	Other	VOC content of stream (weight %)	Total Annual Emissions (tpy)
Gas Service Component Count	61	53	76			11		3.21

**TECHNICAL REVIEW: STANDARD PERMIT FOR
INSTALLATION AND/OR MODIFICATION OF OIL AND GAS FACILITIES
DEFICIENCY**

Permit No.:	96022	Company Name:	ConocoPhillips Company	APD Reviewer:	Ms. Jameica Hanney
Project No.:	164511	Site/Area Name:	Sugarkane Central Battery 1	SP No.:	6002 - 116.620 PRE 2011-FEB-27

Light Oil Component Count	24	12	35		2		
If VOC content of gas stream <100%, was inlet or other laboratory gas analysis included?		Date of Sample:		VOC content from lab analysis (wt %):		H ₂ S content from lab analysis (wt %):	

NATURAL GAS FIRED COMPRESSOR ENGINE										
Engine Identifier (EPN / name)	Engine Information		Pollutant	Source of Emission factor	Emission Factor before controls	Type of Control Device	Control efficiency	Emission Factor after controls	Emissions (lb/hr)	Emissions (tpy)
C-1 / caterpillar G3508 LE	Date of Manufacture or Reconstruction:	1/15/04	VOC (NMNEHC)	Manf data	0.82 g/hp-hr			0.82 g/hp-hr	1.21	5.305
	Horsepower:	670	NOx	Manf data	2.0 g/hp-hr			2.0 g/hp-hr	2.95	12.94
	Hours of Operation per year:	8760	CO	Manf data	4.0 g/hp-hr			4.0 g/hp-hr	5.91	25.88
	Fuel Consumption (Btu/hp-hr):	7656	PM ₁₀	AP-42	9.50E-03 lb/MMBtu			9.50E-03 lb/MMBtu	0.049	0.21
	2 or 4 stroke, Rich or Lean Burn:	4 stroke lean burn	SO ₂	AP-42	5.88E-04 lb/MMBtu			5.88E-04 lb/MMBtu	0.03	0.013
	Vendor Data Sheet Included? (required if ≥ 500-hp)	Yes	CH ₂ O	Manf data	0.18 g/hp-hr			0.18 g/hp-hr	0.266	1.165
Does NSPS, Subpart JJJJ apply?		No	Why or why not? If yes, how will requirements be met?			Manufactured prior to 1/1/08.				
Does MACT, Subpart ZZZZ apply?		No	Why or why not? If yes, how will requirements be met?			Manufactured prior to 1/1/08.				

NATURAL GAS FIRED COMPRESSOR ENGINE										
Engine Identifier (EPN / name)	Engine Information		Pollutant	Source of Emission factor	Emission Factor before controls	Type of Control Device	Control efficiency	Emission Factor after controls	Emissions (lb/hr)	Emissions (tpy)
C-2 / caterpillar G3508 LE	Date of Manufacture or Reconstruction:	8/17/09	VOC (NMNEHC)	Manf data	0.82 g/hp-hr			0.82 g/hp-hr	1.21	5.305
	Horsepower:	670	NOx	Manf data	2.0 g/hp-hr			2.0 g/hp-hr	2.95	12.94
	Hours of Operation per year:	8760	CO	Manf data	4.0 g/hp-hr			4.0 g/hp-hr	5.91	25.88
	Fuel Consumption (Btu/hp-hr):	7656	PM ₁₀	AP-42	7.71E-03 lb/MMBtu			7.71E-03 lb/MMBtu	0.04	0.17
	2 or 4 stroke, Rich or Lean Burn:	4 stroke lean burn	SO ₂	AP-42	5.88E-04 lb/MMBtu			5.88E-04 lb/MMBtu	0.03	0.013
	Vendor Data Sheet Included? (required if ≥ 500-hp.)	Yes	CH ₂ O	Manf data	0.18 g/hp-hr			0.18 g/hp-hr	0.266	1.165
Does NSPS, Subpart JJJJ apply?		Yes	Why or why not? If yes, how will requirements be met?			Manufactured/ reconstructed after July 1, 2008.				
Does MACT, Subpart ZZZZ apply?		Yes	Why or why not? If yes, how will requirements be met?			Will comply with the requirements of NSPS, Subpart JJJJ.				

FLARE Sugarkane Central Battery 1				
Process or Emergency flare?	Process	NOx emission factor used:		0.068
Steam assisted (yes/no)?	Yes	CO emissions factor used:		0.37
VOC Destruction Efficiency: (must justify if over 98%)	95%	H ₂ S Destruction Efficiency:		95%
Sources of emissions routed to flare	Flow Rate of Each Source (SCF/hour)	Heat Content of Each Source (Btu/SCF)	H ₂ S Emissions From Each Source (lb/hr)	VOC Emissions From Each Source (lb/hr)

**TECHNICAL REVIEW: STANDARD PERMIT FOR
INSTALLATION AND/OR MODIFICATION OF OIL AND GAS FACILITIES
DEFICIENCY**

Permit No.:	96022	Company Name:	ConocoPhillips Company	APD Reviewer:	Ms. Jameica Hanney
Project No.:	164511	Site/Area Name:	Sugarkane Central Battery 1	SP No.:	6002 - 116.620 PRE 2011-FEB-27

<i>VRU-MSS</i>	71,255.65	2,736.14	0.03	0.0000825
<i>Low Pressure Gas during MSS Blowdown</i>	89,066.21	2,736.14	0.009	0.0000825

FLARE-Baker 300 Dehy-Facility				
Process or Emergency flare?	Process	NOx emission factor used:	0.068	
Steam assisted (yes/no)?	Yes	CO emissions factor used:	0.37	
VOC Destruction Efficiency: (must justify if over 98%)	95%	H₂S Destruction Efficiency:	95%	
Sources of emissions routed to flare	Flow Rate of Each Source (SCF/hour)	Heat Content of Each Source (Btu/SCF)	H₂S Emissions From Each Source (lb/hr)	VOC Emissions From Each Source (lb/hr)
<i>Tank W/B/F Losses and Loading Losses</i>	85.68	2,736.14	0.00001	0.0000825

30 TAC §116.610 (Applicability) Rule Check	Y, N, n/a	COMMENTS
(a) The project (construction or modification of a facility or a group of facilities) to be authorized under this standard permit will meet the following requirements.		
(a)(1) If the project results in a net increase in emissions of air contaminants (other than carbon dioxide, water, nitrogen, methane, ethane, hydrogen, oxygen, or those for which a national ambient air quality standard has been established), it will meet the emission limitations of §106.261 of this title. <i>For H₂S emissions from process vents, 10 mg/m³ should be used as the "L" value.</i>		<i>If applicable, complete 261/262 table below.</i> <i>Engine emissions are not subject to 261/262 limits.</i>
(a)(2) Construction or operation of the project will commence prior to the effective date of a revision to this subchapter, if the project would no longer meet the requirements of the revision to this subchapter.		
(a)(3) The proposed project will comply with the applicable New Source Performance Standards (NSPS, 40 CFR Part 60).		<i>List applicable NSPS.</i>
(a)(4) The proposed project will comply with the applicable National Emissions Standards for Hazardous Air Pollutants (NESHAPS, 40 CFR Part 61).		<i>List applicable NESHAPS.</i>
(a)(5) The proposed project will comply with the applicable Maximum Achievable Control Technology standards (MACT, 40 CFR Part 63).		<i>List applicable MACT standards.</i>
(a)(6) If subject to Chapter 101, Subchapter H, Division 3 of this title (relating to Mass Emissions Cap and Trade Program) the proposed facility, group of facilities, or account will obtain allocations to operate.		
(b) If the project constitutes a new major stationary source or major modification as defined in §116.12 of this title (relating to Nonattainment and Prevention of Significant Deterioration Review Definitions) is will be subject to the requirements of §116.110 of this title (relating to Applicability) rather than this subchapter.		
(c) Requirements of §116.110 will not be circumvented by: (1) artificially limiting feed or production rates below the maximum capacity of the project's equipment; (2) claiming a limited chemical list; or (3) dividing and registering a project in separate segments.		
(d) If the project involves a proposed affected source (as defined in §116.15(1) of this title (relating to Section 112(g) Definitions)), it will comply with all applicable requirements under Subchapter E of this chapter (relating to Hazardous Air Pollutants: Regulations Governing Constructed or Reconstructed Major Sources (FCAA, §112(g), 40 CFR Part 63)). <i>Affected sources subject to Subchapter E of this chapter may use a standard permit under this subchapter only if the terms and conditions of the specific standard permit meet the requirements of Subchapter E of this chapter.</i>		

261/262 Emission Limits						
Chemical	Applicable paragraph of 261/262	L, mg/m³	Emission Limit (E = L/K), lb/hr	Emission Limit tpy	Actual Emissions lb/hr	Actual Emissions tpy
n-Hexane						
Benzene						
Toluene						
Ethylbenzene						
Xylene						

**TECHNICAL REVIEW: STANDARD PERMIT FOR
INSTALLATION AND/OR MODIFICATION OF OIL AND GAS FACILITIES
DEFICIENCY**

Permit No.:	96022	Company Name:	ConocoPhillips Company	APD Reviewer:	Ms. Jameica Hanney
Project No.:	164511	Site/Area Name:	Sugarkane Central Battery 1	SP No.:	6002 - 116.620 PRE 2011- FEB-27

H ₂ S					
Total Emissions:					

30 TAC §116.611 (Registration to Use a Standard Permit) Rule Check	Y, N, n/a	COMMENTS
(a) Form PI-1S has been submitted in order to register the proposed facility under this standard permit, along with the following supporting documentation:		
(a)(1) the basis of emission estimates;		
(a)(2) quantification of all emission increases and decreases associated with the project being registered;		
(a)(3) sufficient information as may be necessary to demonstrate that the project will comply with §116.610(b) of this title (relating to Applicability);		
(a)(4) information that describes efforts to be taken to minimize any collateral emissions increases that will result from the project;		
(a)(5) a description of the project and related process; and		
(a)(6) a description of any equipment being installed.		
(b) Construction may begin any time after receipt of written notification from the executive director that there are no objections or 45 days after receipt by the executive director of the registration, whichever occurs first, except where a different time period is specified for a particular standard permit.		
(c) The company has certified that the maximum emission rates listed on the registration reflect the reasonably anticipated maximums for operation of the facility by submission of Form PI-1S.		

30 TAC §116.614 (Standard Permit Fees) Rule Check	Y, N, n/a	COMMENTS
The \$900 standard permit fee has been submitted.		
<i>No fee is required if a registration is automatically renewed by the commission. No fees will be refunded.</i>		

30 TAC §116.615 (General Conditions) Rule Check	Y, N, n/a	COMMENTS
(1) The emissions from the facility, including dockside vessel emissions, will comply with all applicable rules and regulations of the commission adopted under Texas Health and Safety Code, Chapter 382, and with the intent of the Texas Clean Air Act (TCAA), including protection of health and property of the public.		
(2) All representations with regard to construction plans, operating procedures, and maximum emission rates in any registration for a standard permit will become conditions upon which the facility or changes thereto, must be constructed and operated.		
(3) All changes authorized by standard permit to a facility previously permitted under §116.110 of this title will be administratively incorporated into that facility's permit at such time as the permit is amended or renewed.		
(4) Start of construction, construction interruptions exceeding 45 days, and completion of construction will be reported to the appropriate regional office not later than 15 working days after occurrence of the event, except where a different time period is specified for a particular standard permit.		
(5) The following start-up notification will be given (unless a particular standard permit modifies start-up notification requirements):		
(5)(A) The appropriate air program regional office of the commission and any other air pollution control agency having jurisdiction will be notified prior to the commencement of operations of the facilities authorized by a standard permit in such a manner that a representative of the executive director may be present.		
(5)(B) For phased construction, which may involve a series of units commencing operations at different times, the owner or operator of the facility will provide separate notification for the commencement of operations for each unit.		
(5)(C) Prior to beginning operations of the facilities authorized by the permit, the permit holder will identify to the Office of Permitting, Remediation, and Registration, the source or sources of allowances to be utilized for compliance with Chapter 101, Subchapter H, Division 3 of this title (relating to Mass Emissions Cap and Trade Program).		
(6) If sampling of stacks or process vents is required, the standard permit holder will contact the commission's appropriate regional office and any other air pollution control agency having jurisdiction prior to sampling to obtain the proper data forms and procedures.		
(7) The standard permit holder will demonstrate or otherwise justify the equivalency of emission control methods, sampling or other emission testing methods, and monitoring methods proposed as alternatives to methods indicated in the conditions of the standard permit. Alternative methods must be applied for in writing and must be reviewed and approved by the executive director prior to their use in fulfilling any requirements of the standard permit.		

**TECHNICAL REVIEW: STANDARD PERMIT FOR
INSTALLATION AND/OR MODIFICATION OF OIL AND GAS FACILITIES
DEFICIENCY**

Permit No.:	96022	Company Name:	ConocoPhillips Company	APD Reviewer:	Ms. Jameica Hanney
Project No.:	164511	Site/Area Name:	Sugarkane Central Battery 1	SP No.:	6002 - 116.620 PRE 2011- FEB-27

(8) A copy of the standard permit along with information and data sufficient to demonstrate applicability of and compliance with the standard permit will be maintained in a file at the plant site and made available at the request of representatives of the executive director, the United States Environmental Protection Agency, or any air pollution control agency having jurisdiction.		
(9) The facilities covered by the standard permit will not be operated unless all air pollution emission capture and abatement equipment is maintained in good working order and operating properly during normal facility operations. Notification for emissions events and scheduled maintenance shall be made in accordance with §101.201 and §101.211 of this title.		
(10) Registration of a standard permit by a standard permit applicant constitutes an acknowledgment and agreement that the holder will comply with all rules, regulations, and orders of the commission issued in conformity with the TCAA and the conditions precedent to the claiming of the standard permit. If more than one state or federal rule or regulation or permit condition are applicable, the most stringent limit or condition shall govern.		
(11) Notwithstanding any requirement in any standard permit, if a standard permit for a facility requires a distance, setback, or buffer from other property or structures as a condition of the permit, the determination of whether the distance, setback, or buffer is satisfied will be made on the basis of conditions existing at the earlier of the date new construction, expansion, or modification of a facility begins, or the date any application or notice of intent is first filed with the commission to obtain approval for the construction or operation of the facility.		

30 TAC §116.620 (Installation and/or Modification of Oil and Gas Facilities) Rule Check	Y, N, n/a	COMMENTS
(a) The following emission specifications will be met:		
(a)(1) Venting or flaring more than 0.3 long tons per day of total sulfur will not occur. <i>0.3 long tons/day = 672 pounds/day = 28 lb/hr</i>		
(a)(2) Uncontrolled emissions of sulfur compounds (except sulfur dioxide, SO ₂) from all vents (excluding process fugitive emissions) will not exceed 4 lb/hr unless the vapors are collected and routed to a flare.		
(a)(3) All vents, excluding any safety relief valves that discharge to the atmosphere only as a result of fire or failure of utilities, emitting sulfur compounds other than SO ₂ will be at least 20 feet above ground level.		List vent heights:
(a)(4) New or modified internal combustion reciprocating engines or gas turbines will satisfy all of the requirements of §106.512, except that registration using the Form PI-7 is not required. Emissions from engines or turbines shall be limited to the amounts found in §106.4(a)(1) of this title (relating to Requirements for Permitting by Rule).		
(a)(5) Total VOC emissions from a natural gas glycol dehydration unit will not exceed 10 tpy unless the vapors are collected and controlled in accordance with subsection (b)(2) of this section.		
(a)(6) Any combustion unit (excluding flares, internal combustion engines, or natural gas turbines), with a design maximum heat input greater than 40 million Btu per hour (using lower heating values) will not emit more than 0.06 pounds of nitrogen oxides per million Btu.		List NO _x emissions in pounds per MBtu:
(a)(7) If the facility is less than 500 feet from the nearest off-property receptor, it will emit less than 10 tpy uncontrolled VOC process fugitive emissions, unless the equipment is inspected and repaired according to subsection (c)(1) of this section.		
(a)(8) If the facility is 500 feet or more from the nearest off-property receptor, it will emit less than 25 tpy uncontrolled VOC process fugitive emissions, unless the equipment is inspected and repaired according to subsection (c)(1) of this section.		
(a)(9) If the facility is less than 500 feet from the nearest off-property receptor, it will emit less than 25 tpy uncontrolled VOC process fugitive emissions, unless the equipment is inspected and repaired according to subsection (c)(2) of this section.		
(a)(10) If the facility is 500 feet or more from the nearest off-property receptor, it will emit less than 40 tpy uncontrolled VOC process fugitive emissions, unless the equipment is inspected and repaired according to subsection (c)(2) of this section.		
(a)(11) If the site handles sour gas, and if the facility is located less than 1/4 mile from the nearest off-plant receptor, it will not emit hydrogen sulfide H ₂ S or SO ₂ process fugitive emissions unless the equipment is inspected and repaired according to subsection (c)(3) of this section. If the site handles sour gas, and if the facility is located at least 1/4 mile from the nearest off-plant receptor, it will not emit hydrogen sulfide H ₂ S or SO ₂ process fugitive emissions unless the equipment is inspected and repaired according to subsection (c)(3) of this section, or unless the H ₂ S or SO ₂ emissions are monitored with ambient property line monitors according to subsection (c)(1) of this section. <i>sour gas = natural gas containing more than 1.5 grains of hydrogen sulfide per 100 cubic feet, or more than 30 grains of total sulfur per 100 cubic feet</i>		

**TECHNICAL REVIEW: STANDARD PERMIT FOR
INSTALLATION AND/OR MODIFICATION OF OIL AND GAS FACILITIES
DEFICIENCY**

Permit No.:	96022	Company Name:	ConocoPhillips Company	APD Reviewer:	Ms. Jarneica Hanney
Project No.:	164511	Site/Area Name:	Sugarkane Central Battery 1	SP No.:	6002 - 116.620 PRE 2011- FEB-27

(a)(12) Flares will be designed and operated in accordance with 40 Code of Federal Regulations (CFR), Part 60.18 or equivalent standard approved by the commission, including specifications of minimum heating values of waste gas, maximum tip velocity, and pilot flame monitoring. If necessary to ensure adequate combustion, sufficient gas shall be added to make the gases combustible. An infrared monitor is considered equivalent to a thermocouple for flame monitoring purposes. An automatic ignition system may be used in lieu of a continuous pilot.		Minimum heating value of waste gas: Is gas necessary for adequate combustion?: Maximum tip velocity: Method of pilot flame monitoring:
(a)(13) Appropriate documentation has been submitted to demonstrate that compliance with the PSD and nonattainment new source review provisions of the FCAA, Parts C and D, and with Subchapter C of this chapter will be met. <i>The oil and gas facility will be required to meet the requirements of Subchapter B of this chapter (relating to New Source Review Permits) instead of this subchapter if a PSD or nonattainment permit or a review under Subchapter C of this chapter is required.</i>		
(a)(14) Documentation has been submitted to demonstrate compliance with any applicable New Source Performance Standards (NSPS, 40 CFR Part 60).		
(a)(15) Documentation has been submitted to demonstrate compliance with any applicable National Emission Standards for Hazardous Air Pollution (NESHAP, 40 CFR Part 61).		
(a)(16) Documentation has been submitted to demonstrate compliance with any applicable maximum achievable control technology standards (MACT, 40 CFR Part 63).		
(a)(17) New and increased emissions will not cause or contribute to a violation of any NAAQS or regulation property line standards as specified in Chapters 111, 112, and 113 of this title. <i>Engineering judgment and/or computerized air dispersion modeling may be used in this demonstration.</i>		
(a)(18) Fuel for all combustion units and flare pilots will be sweet natural gas or liquid petroleum gas, fuel gas containing no more than ten grains of total sulfur per 100 dry standard cubic feet (dscf), or field gas. If field gas is sour, the operator will maintain records, including at least quarterly measurements of fuel H ₂ S and total sulfur content, which demonstrate that the annual SO ₂ emissions from the facility do not exceed the limitations listed in the standard permit registration. If a flare is the only combustion unit on a property, the operator is not required to maintain such records on flare pilot gas.		
(b) The following control requirements will be met:		
(b)(1) Floating roofs or equivalent controls will be installed on all new or modified storage tanks, other than pressurized tanks which meet §106.476 of this title, unless the tank is less than 25,000 gallons in nominal size or the vapor pressure of the compound to be stored in the tank is less than 0.5 psia at maximum short-term storage temperature.		
(b)(1)(A) For internal floating roofs, mechanical shoe primary seal or liquid-mounted primary seal or a vapor-mounted primary with rim-mounted secondary seal will be used.		
(b)(1)(B) Mechanical shoe or liquid-mounted primary seals will include a rim-mounted secondary seal on all external floating roofs tanks. Vapor-mounted primary seals will not be accepted.		
(b)(1)(C) All floating roof tanks will comply with the requirements under §115.112(a)(2)(A) - (F) of this title (relating to Control Requirements).		
(b)(1)(D) In lieu of a floating roof, tank emissions may be routed to:		
(b)(1)(D)(i) a destruction device such that a minimum VOC destruction efficiency of 98% is achieved; or		
(b)(1)(D)(ii) a vapor recovery system such that a minimum VOC recovery efficiency of 95% is achieved.		
(b)(1)(E) Independent of the PBR listed in this paragraph, if the emissions from any fixed roof tank exceed 10 tpy of VOC or 10 tpy of sulfur compounds, the tank emissions will be routed to a destruction device, vapor recovery unit, or equivalent method of control that meets the requirements listed in subparagraph (D) of this paragraph.		
(b)(2) The VOC emissions from a natural gas glycol dehydration unit shall be controlled as follows.		
(b)(2)(A) If total uncontrolled VOC emissions are equal to or greater than 10 tpy, but less than 50 tpy, a minimum of 80% by weight minimum control efficiency will be achieved by either operating a condenser and a separator (or flash tank), vapor recovery unit, destruction device, or equivalent control device.		
(b)(2)(B) If total uncontrolled VOC emissions are equal to or greater than 50 tpy, a minimum of:		
(b)(2)(B)(i) 98% by weight minimum destruction efficiency shall be achieved by a destruction device or equivalent; or		
(b)(2)(B)(ii) 95% by weight minimum control efficiency shall be achieved by a vapor		

**TECHNICAL REVIEW: STANDARD PERMIT FOR
INSTALLATION AND/OR MODIFICATION OF OIL AND GAS FACILITIES
DEFICIENCY**

Permit No.:	96022	Company Name:	ConocoPhillips Company	APD Reviewer:	Ms. Jameica Hanney
Project No.:	164511	Site/Area Name:	Sugarkane Central Battery 1	SP No.:	6002 - 116.620 PRE 2011-FEB-27

recovery system or equivalent.		
(c) The following inspection requirements will be met:		
(c)(1) Owners or operators who are subject to subsection (a)(7) or (8) of this section will comply with all inspection requirements detailed in (c)(1)(A) through (c)(1)(J) of this section.		
(c)(2) Owners or operators who are subject to subsection (a)(9) or (10) of this section will comply with all inspection requirements detailed in (c)(2)(A) through (c)(2)(K) of this section.		
(c)(3) Owners and operators who are subject to the applicable parts of subsection (a)(11) of this section will conduct daily auditory and visual checks for SO ₂ and H ₂ S leaks within the operating area. Immediately, but no later than eight hours upon detection of a leak, operating personnel will isolate the leak and commence repair or replacement of the leaking component; or use a leak collection/containment system to prevent the leak until repair or replacement can be made if immediate repair is not possible.		
(d) The following approved test methods will be used:		
(d)(1) An approved gas analyzer used for the VOC fugitive inspection and repair requirement in subsection (c) of this section, will conform to requirements listed in 40 CFR §60.485(a) and (b).		
(d)(2) Turweiler analysis or equivalent will be used to determine the H ₂ S content as required under subsections (a) and (e) of this section.		
(d)(3) Proper operation of any condenser used as a VOC emissions control device to comply with subsection (a)(5) of this section will be tested to demonstrate compliance with the minimum control efficiency. Sampling will occur within 60 days after start-up of new or modified facilities. Notification and reporting requirements, as specified in this section, will be met.		
(e) The following monitoring and recordkeeping requirements will be met:		
(e)(1) If the operator elects to install and maintain ambient H ₂ S property line monitors to comply with subsection (a)(11) of this section, the monitors will be approved by the Engineering Services Section, Office of Compliance and Enforcement office in Austin, and will be capable of detecting and alarming at H ₂ S concentrations of 10 ppmv. Operations personnel will perform an initial on-site inspection of the facility within 24 hours of initial alarm and take corrective actions as listed in subsection (c)(3)(A) - (C) of this section within eight hours of detection of a leak.		
(e)(2) The results of the VOC leak detection and repair requirements will be made available to the executive director or any air pollution control agency having jurisdiction upon request. Records, for all components, will include appropriate dates, test methods, instrument readings, repair results, and corrective actions. Records of flange inspections are not required unless a leak is detected.		
(e)(3) Records for repairs and replacements made, due to inspections of H ₂ S and SO ₂ components, will be maintained.		
(e)(4) Records will be kept for each production, processing, and pipeline tank battery, or for each storage tank if not located at a tank battery, on a monthly basis. Records will include tank battery identification or storage tank identification (if not located at a tank battery), compound stored, monthly throughput (in barrels/month), and cumulative annual throughput (in barrels/year).		
(e)(5) A plan will be submitted to show how ongoing compliance will be demonstrated for the efficiency requirements listed in subsection (b)(1)(D) of this section. The demonstration may include, but is not limited to, monitoring flowrates, temperatures, or other operating parameters.		
(e)(6) Records will be kept, on at least a monthly basis, of all production facility flow rates (in standard cubic feet per day) and total sulfur content of process vents or flares or gas processing streams. Total sulfur shall be calculated in long tons per day.		
(e)(7) Records will be kept of all ambient property line monitor alarms and will include the date, time, duration, and cause of alarm, date and time of initial on-site inspection, and date and time of corrective actions taken.		
(e)(8) All required records will be made available to representatives of the agency, the EPA, or local air pollution control agencies upon request and be kept for at least two years. All required records will be kept at the plant site, unless the plant site is unmanned during business hours. For plant sites ordinarily unmanned during business hours, the records will be maintained at the nearest office in the state having day-to-day operations control of the plant site.		

COMMUNICATION LOG

Date	Time	Name/Company	Subject of Communication
5/5/11	4:30 p	Jameica Hanney / TCEQ	Reviewer called Mr. Etheridge to inquire about missing documents in application. No response.
5/5/11	4:31p	Jameica Hanney / TCEQ	Good afternoon Mr. Etheridge, I am currently reviewing the application submitted for Sugarkane Central Battery 1 located in Live Oak County. Permit No. 96022 (previously 87632). Please address the following so that we can move forward in processing this authorization:

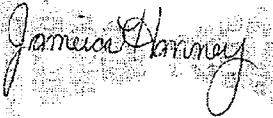
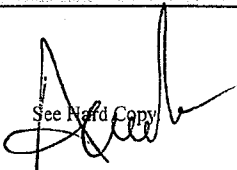
**TECHNICAL REVIEW: STANDARD PERMIT FOR
INSTALLATION AND/OR MODIFICATION OF OIL AND GAS FACILITIES
DEFICIENCY**

Permit No.:	96022	Company Name:	ConocoPhillips Company	APD Reviewer:	Ms. Jameica Hanney
Project No.:	164511	Site/Area Name:	Sugarkane Central Battery 1	SP No.:	6002 - 116.620 PRE 2011- FEB-27

			1. H2S Content of the site. 2. VOC weight percent of fugitive streams. 3. One table including 261/262 speciation totals. Please provide this information no later than close of business on Tuesday May 10, 2011. Thanks
5/12/11	10:00a	Monico Banda / TCEQ APD RR Work leader	Mr. Banda called Mr. Etheridge to inform him that he would be receiving a deficiency for the issues addressed in the email sent to him on 5/5/11.

EPN / Description	Screen 3 model distance	Maximum Hourly Concentration of NOx (from screen 3 model)
C-1 / Compressor 1	203 m	24.23 µg/m ³
C-2 / Compressor 2	203 m	24.23 µg/m ³
Background Concentration of Region / County =		Example: 70 µg/m ³ - Live Oak County / Region 14
Total =		118.46 µg/m ³
Is the total limit below the hourly NAAQS Limit of 188 ug/m3 (yes/no)?		Yes
Notes:		

MAXIMUM ALLOWABLE EMISSION RATES TABLE (MAERT)															
EPN / Emission Source	Specific VOC or Other Pollutants	VOC		NOx		CO		PM ₁₀		PM _{2.5}		SO ₂		HAPs	
		lbs/hr	tpy	lbs/hr	tpy	lbs/hr	tpy	lbs/hr	tpy	lbs/hr	tpy	lbs/hr	tpy	lbs/hr	tpy
This project is receiving a deficiency letter due to insufficient information. No emissions will be authorized.															
COMBINED TOTAL EMISSIONS (TPY):															
MAXIMUM OPERATING SCHEDULE:		Hours/Day		Days/Week		Weeks/Year		Hours/Year							

	TECHNICAL REVIEWER	PEER REVIEWER	FINAL REVIEWER
SIGNATURE:			 See Hard Copy
PRINTED NAME:	Ms. Jameica Hanney		
DATE:	May 12, 2011		

BASIS OF PROJECT POINTS	POINTS
Base Points: 6002	3.0
Project Complexity Description and Points:	0.5
Technical Reviewer Project Points Assessment:	3.5
Final Reviewer Project Points Confirmation:	